



STATE OF TENNESSEE

## STATE HEALTH PLAN

CERTIFICATE OF NEED STANDARDS AND CRITERIA

*FOR*

### Comprehensive Inpatient Rehabilitation Services

The Health Services Development Agency (HSDA) may consider the following standards and criteria for applicants seeking to establish Inpatient Rehabilitation Services. Rationale statements are provided for standards to explain the Division of Health Planning's underlying reasoning. Additionally, these rationale statements may assist stakeholders in responding to these Standards and may assist the HSDA in its assessment of certificate of need (CON) applications. Existing Inpatient Rehabilitation programs are not affected by these Standards and Criteria unless they take action that requires a new CON for such services.

These Standards and Criteria are effective immediately upon approval and adoption by the Governor. However, applications to provide Inpatient Rehabilitation Services that are deemed complete by the HSDA prior to the approval and adoption of these Standards and Criteria shall be considered under the Guidelines for Growth, 2000 Edition.

The Certificate of Need Standards and Criteria serve to uphold the Five Principles for Achieving Better Health set forth by the State Health Plan. Utilizing the Five Principles for Achieving Better Health during the development of the CON Standards and Criteria ensures the protection and promotion of the health of the people of Tennessee. The State Health Plan's Five Principles for Achieving Better Health are as follows:

1. **Healthy Lives:** The purpose of the State Health Plan is to improve the health of Tennesseans.
2. **Access:** Every citizen should have reasonable access to health care.
3. **Economic Efficiencies:** The state's health care resources should be developed to address the needs of Tennesseans while encouraging competitive markets, economic efficiencies and the continued development of the state's health care system.
4. **Quality of Care:** Every citizen should have confidence that the quality of health care is continually monitored and standards are adhered to by health care providers.
5. **Workforce:** The state should support the development, recruitment and retention of a sufficient and quality health care workforce.

## **Standards and Criteria**

1. **Determination of Need:** The need for comprehensive inpatient rehabilitation beds shall be determined by applying the guideline of one bed per 1,000 applied to the age 65+ population in the service area of the proposal.

The need shall be based upon the current year's population and projected four years forward. Population statistics from the Department of Health should be used for the calculation.

In accordance with Tennessee Code Annotated 68-11-14607 (g), "no more frequently than one time every three years, a hospital, rehabilitation facility, or mental health hospital may increase its total number of licensed beds in any category by ten percent or less of its licensed capacity at any one campus over any period of one year for any services it purposes it is licensed to perform without obtaining a certificate of need. These licensed beds that were added without a certificate of need should be considered as part of the determination of need formula by the agency.

2. **Establishment of Service Area:** The geographic service area shall be reasonable and based on an optimal balance between population density and service proximity of the applicant.

3. **Minimum Bed Requirements:** Inpatient rehabilitation units should have a minimum size of 20 beds.

Freestanding rehabilitation hospitals should have a minimum size of 50 beds.

4. **Relationship to Existing Similar Services in the Area:** The proposal shall discuss what similar services are available in the service area and the latest reported three-year trends in occupancy and utilization of those services. This discussion shall include the likely impact of the proposed increase in rehabilitation beds on existing providers in the proposed service area and shall include how the applicant's services may differ from these existing services. The agency should consider if the approval of additional beds in the service area will result in unnecessary, costly duplication of services.

Additional inpatient rehabilitation beds, units, or freestanding hospitals should not be approved by the HSDA unless all existing units or facilities in the proposed service area are utilized at the following levels:

10-30 bed unit ~ 75%

31-50 bed unit/facility ~ 80%

51 bed plus unit/facility ~ 85%

5. **Quality Considerations:** Applicants should use the Centers for Medicare & Medicaid Services (CMS) required measures for inpatient rehabilitation facilities. As of fall 2019, these measures are as follows:

- a. Pressure ulcers,
- b. Catheter associated urinary tract infection (CAUTI),
- c. Healthcare worker influenza vaccinations,
- d. 30-day post-discharge readmissions,
- e. Clostridium difficile (C. diff),
- f. Falls with injury, and
- g. Functional outcome measures – mobility, self-care.

Applicants should use the following table to demonstrate the quality of care provided at the existing unit or units.

Measure	National Average	Unit
Pressure ulcers		
Catheter associated urinary tract infection (CAUTI),		
Healthcare worker influenza vaccinations		
30-day post-discharge readmissions		
Clostridium difficile (C. diff)		
Falls with injury		
Functional outcome measures - mobility, self-care		

Data Source: Inpatient Rehabilitation Facility Compare  
<https://www.medicare.gov/inpatientrehabilitationfacilitycompare/>

Because these measures change over time, applicants should use the measures that are in place at the time of the application. Applicants should provide data from the most recent four quarters from existing facilities operated by the applicant.

For applicants with no existing facility or service line, quality data from the most recent four quarters would be unavailable and not required for the application.

6. **Licensure and Quality Considerations:** Any existing applicant for this CON service category shall be in compliance with the appropriate rules of TDH. Additionally, the applicant shall demonstrate certification by CMS for existing facilities.
7. **Adequate Staffing:** The applicant must document the availability of adequate professional staff, as per licensing and Centers for Medicare & Medicaid Services (CMS) requirements, to deliver all designated services in the proposal.
8. **Services to High-Need and Underserved Populations:** Special consideration shall be given to applicants providing services fulfilling the unique needs and requirements of certain high-need populations, including uninsured, low-income, and underserved geographic regions, as well as other underserved population groups.

9. **Access to Services in the Proposed Service Area:** The applicant must demonstrate an ability and willingness to serve equally all of the service area in which it seeks certification. In addition to the factors set forth in HSDA Rule 0720-11-.01(1) (listing factors concerning need on which an application may be evaluated), the HSDA may choose to give special consideration to an applicant that is able to show that there is a limited access in the proposed service area. Factors influencing access to services in the proposed service area may include drive time to obtain care.
  
10. **Data Requirements:** Applicants shall agree to provide the Department of Health and/or the Health Services and Development Agency with all reasonably requested information and statistical data related to the operation and provision of services and to report that data in the time and format requested. As a standard practice, existing data reporting streams will be relied upon and adapted over time to collect all needed information.